

Spring 2014 Economics 2010-001, “Principles of Microeconomics” Prof. Stephen Reynolds

Text: W. Baumol & A. Blinder, Economics: Principles & Policy, 12th ed. (B&B) Chapters 1-22; **The “Student Guide” is NOT required. Class Meets:** M Li 1150, Lecture and

Discussion TH 10:45-12:05. **Course Prerequisites:** None. **Office hours:** Reynolds, 379 OSH, 9:00-10:30TH and by appointments made by e-mail to: stephen.reynolds@csbs.utah.edu

Catalog Description: Econ 2010, (3cr) Fulfills Social/Behavioral Science Exploration Requirement, BF. Issues related to the production of goods and services. Questions addressed include what gets produced, how does production take place, and who gets the output. Micro theory helps answer these questions by analyzing markets and how consumers and producers make decisions. The course is designed to be accessible to non economics, non business and non social science majors. The focus is conceptual and data rich; although elementary mathematics is useful the mathematics will not be demanding. The course will promote understanding of the US economy, market economies generally and human behavior seeking daily sustenance, widely.

The **focus of the course** is on a basic understanding of the micro economy and how economists think about it. Microeconomics is a level of analysis that focuses on behavior of parts of an economic system, e.g., particular industries, businesses, households, etc., in contrast to macroeconomics (Econ 2020) that, as a level of analysis, focuses on behavior of the economic system as a whole rather than its individual component parts. Obviously these are two parts of a whole understanding of an economy rather than alternative understandings. The division is made for analytical convenience and tractability. Even among economists using similar tools of analysis there are frequent disagreements, often about details, sometimes about fundamental relationships, and in their policy recommendations. Certain methods of analysis are common: a focus on data, including weighing benefits relative to costs, examining the consequences of actions incrementally, opportunity costs. These tools will benefit your thinking through your life. The application of theory and data to understanding are common throughout the Social Sciences.

Student learning outcomes: Inquiry and Analysis and Critical thinking (1) Students will learn and be able (a) to identify the sources of policy disagreements and (b) to explain multiple, alternative approaches to controversies about the economy. (2) Students will (a) obtain a basic understanding of sophisticated ideas about how the economy works and (b) learn and be able to apply modern analytical techniques themselves, e.g., to model, in an elementary way, economic behavior. (3) Students will learn and be able to explain the principle descriptive and institutional (e.g., firms, labor unions, levels of government, nongovernmental and civic organizations) features of historical and contemporary U.S. and global economies and the relationships among them. There will be class discussion almost every day. Students are expected to participate!

Course Grades: Each of four exams is 25% of the final grade. Learning in economics is cumulative, i.e., each step depends on understanding what came before that step, so the grade on the Final exam will be substituted for any lower grades on earlier exams. Grading is “on a curve” in comparison to all previously enrolled students. **No make-up exams** will be given, regardless of reason, except when required under University regulations. University regulations permit “incomplete” grades only when no more than 20% of the required work remains to be completed.

<u>Date:</u>	<u>Topic:</u>	<u>Assignment:</u>
Jan 7	“Big Ideas”	B&B Preface & Chapter 1 & Appendix
9	The American Economy	B&B Chapter 2
14	Scarcity & Choice, Opportunity Cost	B&B Chapter 3
16	Supply and Demand	B&B Chapter 4
21	First Exam	All Reading, Lecture & Discussion to Date

Jan	23	Determination of Demand	B&B Chapter 5 with Appendix
	28	Demand (and other) Elasticities	B&B Chapter 6 with Appendix
	30	Determination of Supply	B&B Chapter 7 with Appendix
Feb	4	Market Equilibrium, Profit	B&B Chapter 8 with Appendix
Feb	6	Marginal Analysis	B&B Chapter 8, 9, 10
	9-16	Spring Break	Homework Problem (in Canvas)
	18	Homework Problem (in Canvas)	Review for Exam
	20	2ed Exam	All Reading, Lecture & Discussion to Date
	25	Market Structure: Monopoly	B&B Chapter 11
	27	Private Power over Markets	B&B Chapter 12
Mar	4	Limiting Private Market Power	B&B Chapter 13
	6	The Joy of Free Markets	B&B Chapter 14
	11	Failures of Markets, Government, & NGOs	B&B Chapter 15
	13	Markets, Innovation & Growth	B&B Chapter 16
	18	Markets, Resources & Environment	B&B Chapter 17
	20	3ed Exam	All Reading, Lecture & Discussion to Date
	25	Taxation, Equity & Efficiency	B&B Chapter 18
	27	Pricing Inputs	B&B Chapter 19 with Appendix
Apr	1	Human Input Markets	B&B Chapter 20
	3	Human Input Markets	<u>Human Development Report, excerpts</u>
	8	Poverty and Inequality	B&B Chapter 21; <u>Economist</u> , "Special Report" 10/13/12
	10	Discrimination	B&B Appendix to Chapter 21
	15	Global Markets	B&B Chapter 34
	17	Course Review	All Reading, Lecture & Discussion to Date
	22	Course Review	All Reading, Lecture & Discussion to Date
	30	Wednesday 10:30 Final Exam	All Reading, Lecture & Discussion to Date

**Although attendance of lectures is not part of the course grade it is expected that students will attend and that they will endeavor to be prompt (emergencies happen). But it is much better to be late than absent! The instructor too will endeavor to be prompt and will attempt to send word to the classroom if unavoidably detained by more than a few minutes – I have never missed a class, unannounced, so please be patient. University closures are announced on KUER and by the Campus Alert system – sign up through CIS. Regardless of weather if the University is not closed, class meets. Usually I will be in the classroom before class for consultation. If I must leave town a Teaching Assistant will give the scheduled lecture. SER

SOME IMPORTANT UNIVERSITY POLICIES:

Last day to add classes: Mon. Jan 24. Last day to drop (delete) classes: Wed. Jan 19. Last day to withdraw from class (without Dean's permission): Fri. Feb 4.

"The University of Utah seeks to provide equal access to its programs, services and activities for people with disabilities. If you will need accommodations in the class, reasonable prior notice needs to be given to the Center for Disability Services, 162 Union Building, 581-5020 (V/TDD). CDS will work with you and the instructor to make arrangements for accommodations." (www.hr.utah.edu/oeo/ada/guide/faculty/)

"All students are expected to maintain professional behavior in the classroom setting, according to the Student Code, spelled out in the Student Handbook. Students have specific rights in the classroom as detailed in Article III of the Code. The Code also specifies proscribed conduct (Article XI) that involves cheating on tests, plagiarism,

and/or collusion, as well as fraud, theft, etc. Students should read the Code carefully and know they are responsible for the content. According to Faculty Rules and Regulations, it is the faculty responsibility to enforce responsible classroom behaviors, beginning with verbal warnings and progressing to dismissal from class and a failing grade. Students have the right to appeal such action to the Student Behavior Committee.”

“Faculty...must strive in the classroom to maintain a climate conducive to thinking and learning.” PPM 8-12.3, B. “Students have a right to support and assistance from the University in maintaining a climate conducive to thinking and learning.” PPM 8-10, II. A. The Student Code is spelled out in the course schedule. Students have specific rights in the classroom as detailed in Article III of the code. The code also specifies proscribed conduct (Article XI) that involve cheating on tests, plagiarism, and/or collusion, as well as fraud, theft, etc. Students may receive sanctions for violating one or more of these proscriptions. The instructor of this class will enforce the code in this course; cheating and plagiarism will result in appropriate penalties, such as a failing grade on a specific exam or in the course and/or expulsion from the course. Students have the right to appeal such action to the Student Behavior Committee.”

“The syllabus is not a binding legal contract. It may be modified by the instructor when the student is given reasonable notice of the modification.”

“Attendance requirements & excused absences: The University expects regular attendance at all class meetings. An instructor may choose to have an explicit attendance requirement. Physical attendance may be used as a criterion in determining the final grade only where it indicates lack of participation in a class where student participation is generally required or as required by accrediting bodies. Any particular attendance requirements of a course must be available to students at the time of the first class meeting.”

“Students absent from class to participate in officially sanctioned University activities (e.g., band, debate, student government, athletics) or religious obligations, or with instructor's approval, shall be permitted to make up both assignments and examinations. The University expects its departments and programs that take students away from class meetings to schedule such events in a way that will minimize hindrance of the student's orderly completion of course requirements. Such units must provide a written statement to the students describing the activity and stating as precisely as possible the dates of the required absence. The involved students must deliver this documentation to their instructors, preferably before the absence but in no event later than one week after the absence.”

“Some of the readings, lectures, films, or presentations in this course may include material that may conflict with the core beliefs of some students. Please review the syllabus carefully to see if the course is one that you are committed to taking. If you have a concern, please discuss it with me at your earliest convenience. For more information, please consult the University of Utah's Accommodations Policy, which appears at: www.admin.utah.edu/facdev/accommodations-policy.”